

Operational Risk Management. . .

. . . a way of life in our
Navy and Marine
Corps.

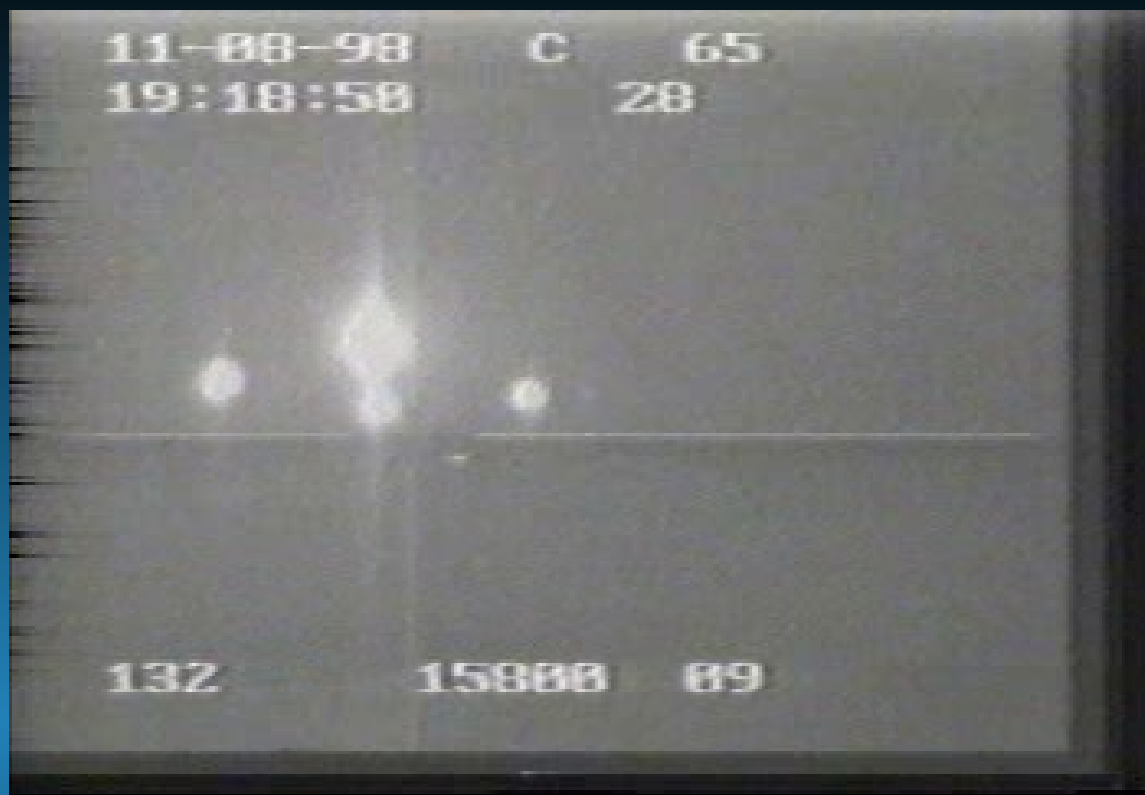


Worst Case Scenario

- ☼ Here's what happens when risk is not controlled .
 - Video from USS *Enterprise*, 8 Nov. '98.

“Risk Management is no accident.”





Timeline of final events

T minus 88 seconds	706 (the mishap aircraft, an S-3B) told	503 (an EA6-B) to go hook up.
T minus 75 seconds	503 at 2 miles.	
T minus 28 seconds	503 at 3/4 mile & calls the ball.	
T minus seconds	LSO calls for 503 to waveoff.	
T minus zero	503 collides with 706 on deck.	

All Mishaps (FY94-98)

- ☼ \$4 billion
- ▢ 1,064 deaths
- ▢ 9,906 injuries

“Manage your risks before they manage you.”



Mishap Losses Sufficient To Build & Crew:



2 CGs

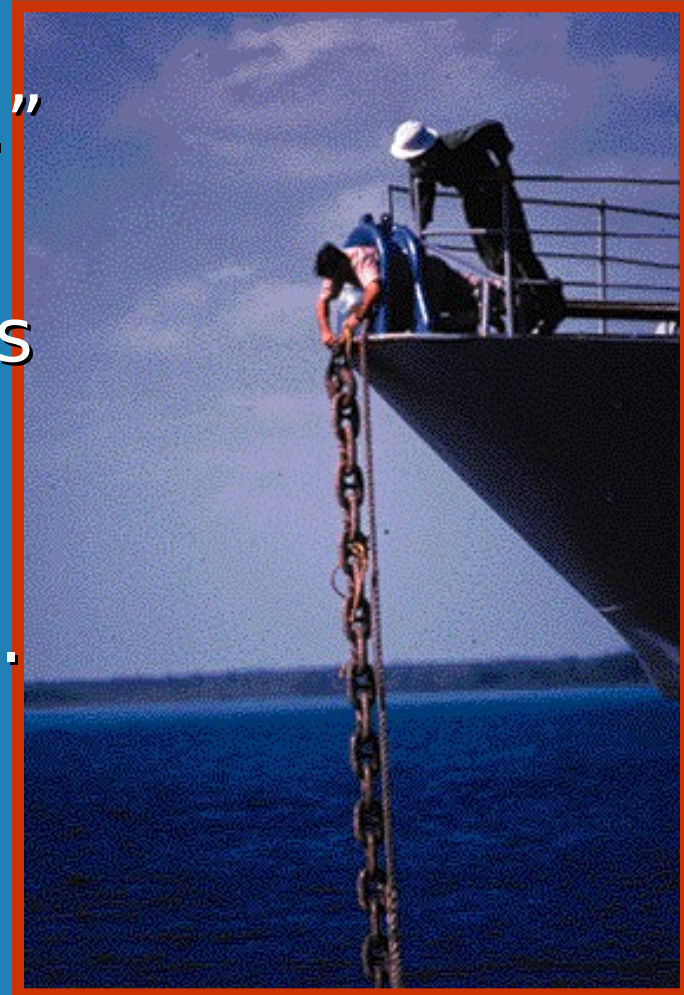
80 MV-22s

or



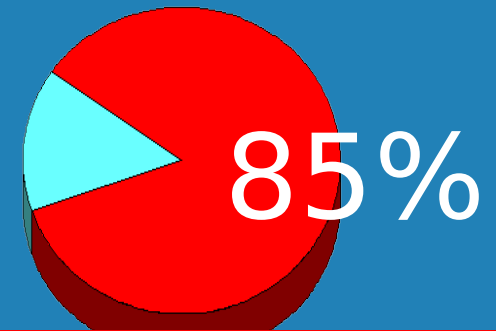
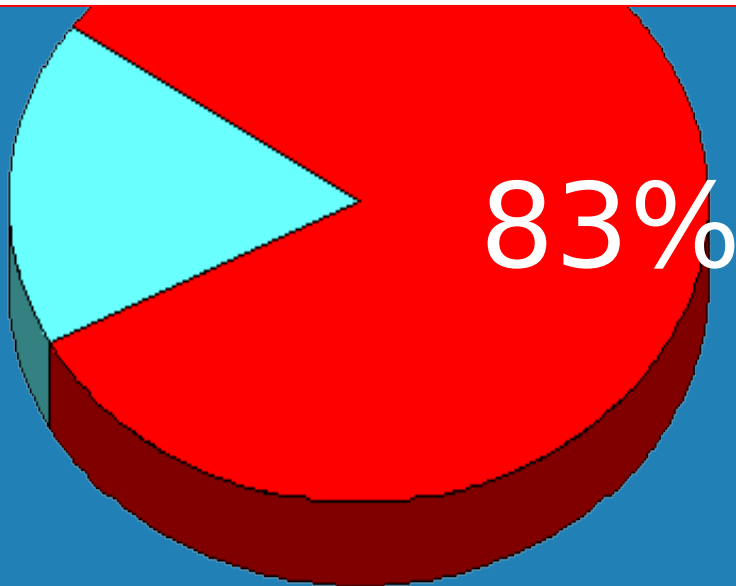
Challenges of Navy Culture

- ❑ Reluctance to say “No.”
- ❑ Doing more with less.
- ❑ “The way we’ve always done it.”
- ❑ “Can do.”
- ❑ Cost of doing business.

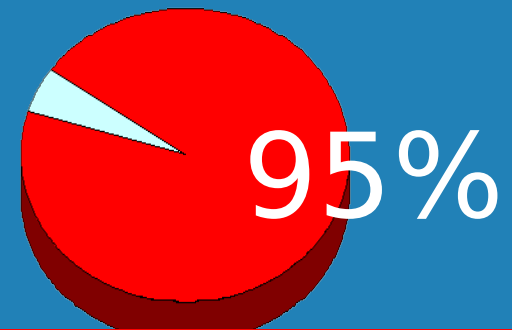


Human Error In Mishaps, FY95-99

Navy & Marine Flight Class
A's



Ship Operational



Shore Operational

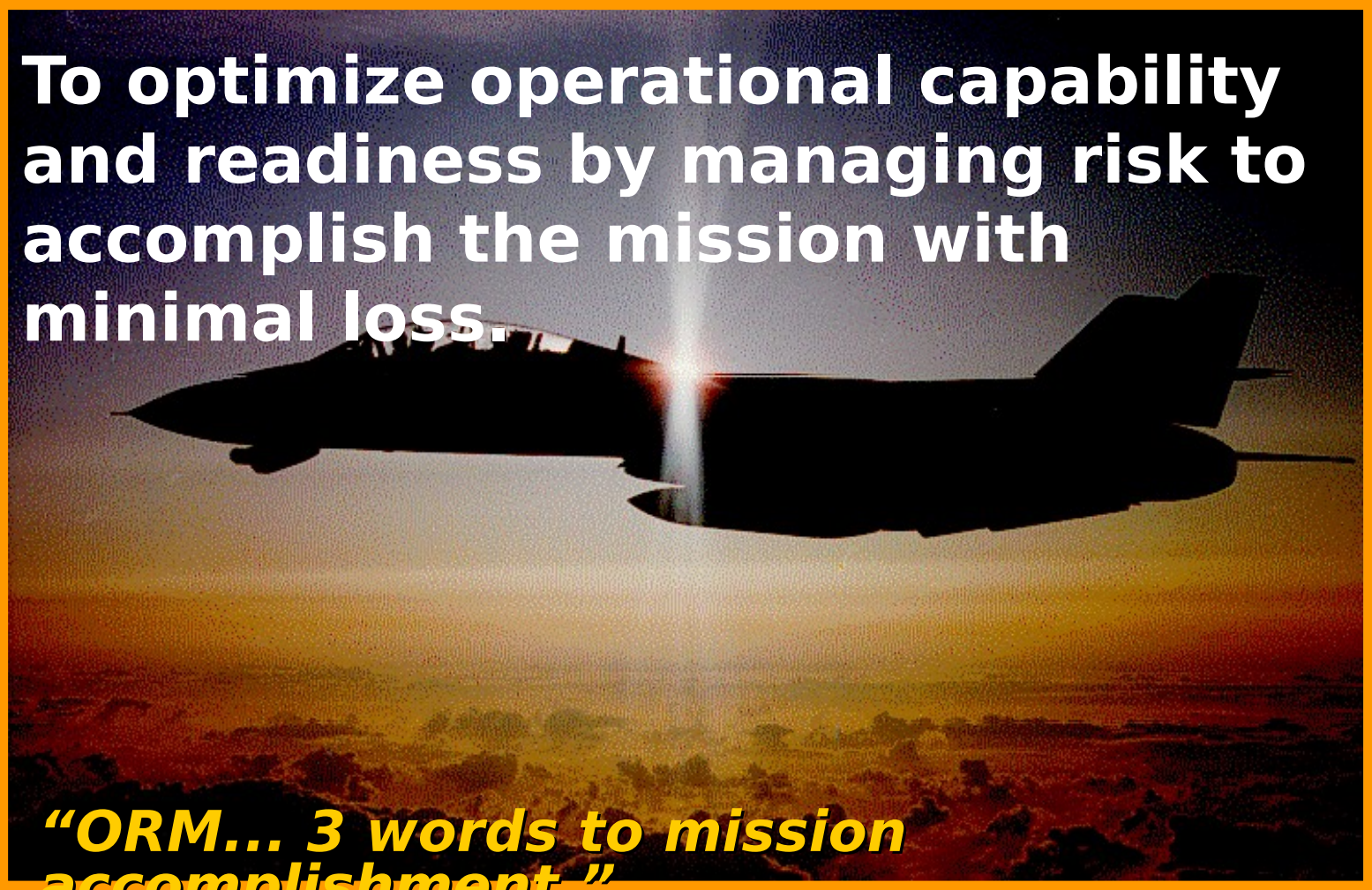
F-14 Crash in Nashville



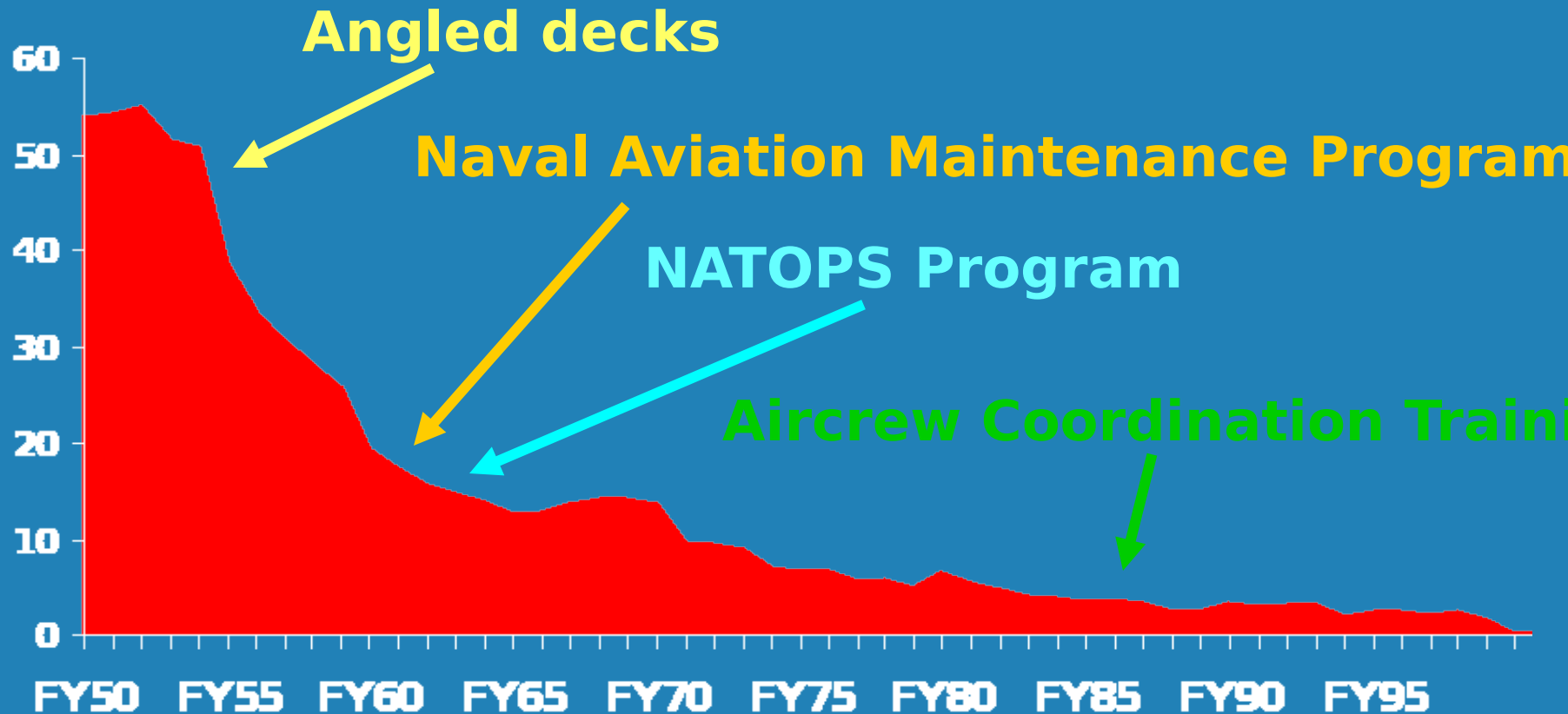
Goal of ORM

To optimize operational capability and readiness by managing risk to accomplish the mission with minimal loss.

“ORM... 3 words to mission accomplishment.”



Risk Management in Naval Aviation 50 Years of Success



Aviation Class A Mishap Rate, FY50-99

A Tool for Leaders



- ☼ Easy, common-sense process
 - ▮ *USS Yorktown, USS Ticonderoga* CPOs :
 - “ORM is not as drawn out as we perceived it would be.”
 - “It’s simple and direct. Why haven’t we had a standardized approach earlier?”
 - ▮ Process must be taught



From CNO

“ORM applies across the entire spectrum of naval activities, from joint operations and fleet exercises to our daily routine. We must encourage top-down interest in the ORM process, from the flag level all the way to the deckplates.” -- August 1998



ORM at Work in the Fleet

- ▮ F-18s from Cecil to Oceana
- ▮ GW Battle Group -- zero mishaps
- ▮ Nimitz Surge-Ex

“ORM -- it starts at the top.”



ORM Now



- Training fragmented
- Hit or miss
- Guidance inadequate
- Marketing insufficient

***“ORM -- it’s not a destination;
it’s a journey.”***



Four Pillars and Foundation



18-Month Jumpstart

- ☼ Immersion training
 - 75 squadrons, 100+ ships
 - Embed improved curricula in CNET pipeline
- ▢ TYCOM working groups insert ORM in foundational documents
- ▢ Intense fleetwide marketing
- ▢ Institutionalize checks & feedback
- ▢ Leadership commitment



Five-Year Goals



- ☼ Human error mishaps cut by 50%
- ▮ ORM embedded in training pipelines
- ▮ All commands have active ORM process
- ▮ ORM in foundational documents



Resources We Need

- ▮ Leadership commitment
- ▮ Resourcing -- \$, people
- ▮ TYCOM working group



What ORM Can Save the Navy

Cut human-error mishaps by
50% in the next five years
and we will save . . .

★ 250 lives

□ \$1 billion



**We didn't get
where we wanted
to go by taking
baby steps. We
got there by
taking Leaps**

